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VIA FAX

Jennifer J. Johnson
Secretary
Board of Governors of the
Federal Reserve System
20th Street and Constitution Ave., NW
Washington, DC 20551

re: Docket No. R-1181 – Community Reinvestment Act

Dear Ms. **Johnson**:

The proposed changes in the Community Reinvestment Act regulations are completely unacceptable as published. The Community Reinvestment Act needs to be strengthened, not weakened. We need to ensure that low- and moderate-income communities have access to credit and services from nationally chartered banks and their operating subsidiaries.

We must not eliminate the investment and service examination for financial institutions with assets between \$250 million to \$500 million. The Federal Reserve System must hold these smaller institutions accountable for providing branches, checking accounts, Individual Development Accounts, and debit card services in all areas. It is imperative that the Federal Reserve and other federal regulators seek out and eliminate the full range of predatory lending practices and strategies, not create openings for further abuse. As proposed, the anti-predatory lending provisions would likely perpetuate abusive lending.

Improving the disclosure of where loans are made by census tract is an important, **if** not long overdue measure. Ideally, the Federal Reserve **and** other regulators should report this information out at the lower Block Group level. The Block Group level of Census geography is still a very stable unit of measure and would provide more accurate detail within large cities as there is often significant lending and demographic variation within Tract boundaries. Variations within Tracts are similar to the variations that occur within five-digit Postal **Zip** Codes.

Stronger mandatory requirements are needed to update CRA exam procedures, namely, including all lending affiliates in evaluations. Thrifts should not be able to choose which of their operations are subject to examination. In addition, Federal Reserve and other regulators need to update assessment areas to evaluate lending outside of local branch areas. **All** lending activity must be evaluated.

Thank you for your consideration.

Sincerely,



Scott Schullce